

# The Commissioners

## Julian M. Seeherman, *Chairman*



Mr. Seeherman is the former Chairman of the Board of the Venture Stores. Prior to becoming Chairman of the Board, Mr. Seeherman held various top executive positions with Venture. He began his career as a retailer with Abraham & Straus, a division of Federated Department Stores, in 1951. In 1977, Mr. Seeherman joined the May Co. as President and CEO of Consumers Distributing. Mr. Seeherman currently operates a consulting business. Mr. Seeherman was inducted into the Discounting Hall of Fame in 1995. He is a recipient of the International Mass Retail Association's Partnership Award and was voted the 1991 Discounter of the Year by retail industry executives. Mr. Seeherman is currently or has served on the boards of Webster University, the Boy Scouts, Junior Achievement, Civic Progress, Jewish Community Center Association, Jewish Hospital, Greenfield Industries, Inc. and is involved in many other charitable and business organizations in the St. Louis area.

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## Lynne R. Nikolaisen, *Secretary*



Lynne R. Nikolaisen is a former Regional President for Mercantile Bank NA. She began her banking career in 1980, holding various sales and management positions for the two largest banks in St. Louis. At the present time Ms. Nikolaisen is a consultant for Doncaster Clothing and also handles stock portfolio management.

Ms. Nikolaisen is currently or has been involved as a member and/or director of the RCGA, NAWBO, the Mathews-Dickey Boys Club, Outstanding Women, the Missouri Development Finance Board and the St. Louis AMC Cancer Research Board. She is also active in fundraising for various charitable and civic organizations.

## **Robert C. Smith, *Vice-Chairman***



Mr. Smith is a retired senior partner in the firm of Smith, Lewis, Beckett, Powell & Roark. He formerly served as a Master in Federal Court on insurance litigation. He has served as an arbitrator for the U.S. and Midwest Arbitration Associations and as a Missouri Administrative Hearing Commissioner. Mr. Smith served as a member of the Missouri House of Representatives from 1953-56, including two years as Speaker Pro-tem. He was Mayor of Columbia from 1961-63. Mr. Smith has served on numerous Missouri Bar Association boards, including the Board of Governors from 1975-79. He has served as a member of the Stephens College Board of Curators; President of Columbia Kiwanis; President of the Missouri Symphony Society; and a Member of the State Historical Society Board of Trustees. He has received the Missouri Bar Pro-bono Award; University of Missouri Alumni Faculty Award; University of Missouri Law School Citation of Merit; Outdoor Writers Association Of America Ham Brown Service Award; and is an Honorary Citizen of Fulton, Missouri.

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## **Major L.G. Ullery (retired)**



Major Glen Ullery retired from the Missouri State Highway Patrol in 1991. After retirement, Major Ullery served as Safety Director for Crabtree-Harmon Corp. where he established and organized its safety department. Major Ullery continues to work as a safety consultant for various organizations.

During his 27-year career with the Highway Patrol, Major Ullery was instrumental in developing programs to reduce fatalities on the highways and increase safety monitoring of the public. He implemented a statewide drug interdiction program, reintroducing techniques and encouraging officers on the road to be alert to criminal activities and operations. This program has been recognized as one of the best criminal apprehension efforts in the nation.

\* There is currently one vacancy on the Commission.

## Message from the Chairman

I am pleased to present the Missouri Gaming Commission's Annual Report for fiscal year 1999. It is submitted to comply with the Commission's statutory reporting mandates and to provide you with a status report of the riverboat gambling, bingo and horse racing industries in Missouri.

Among the topics addressed in this year's report are an update on the state of gaming in Missouri; a summary of the status of each licensed facility; the statutorily required report on the impact Missouri's tax rate and gaming regulations have on its licensees' ability to compete with gaming operations in adjoining jurisdictions; an expanded section on the use of gaming revenue; a report on the issue of continuous boarding; an update on the Commission's programs for problem gambling; and a comprehensive history of bingo as well as an update of the status of charity gaming.

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One of the more difficult challenges that continuously faces the Commission is to effectively communicate its mission to the public. The Commission frequently finds that it is not well understood that its responsibility is to administer the statutes, rules and regulations that govern the gaming industry. While the Commission does have some latitude to set policy through the rules, the broader policy governing gaming is set by the legislature and is not within the authority of the Commission.

The issue of continuous boarding is an example of an area where the Commission can revise the rules regarding the way the gaming statute is administered. There is no statutory reference to a boarding restriction. The restriction was created by the Commission in 1994 to prevent continuously docked gaming boats from having a competitive advantage over those that cruised. During the Commission's review of this policy, it became apparent that it no longer served a legitimate purpose. A

detailed description of this process is contained in a section beginning on page 24.

Continuous boarding is an example of how the Commission must constantly review and reevaluate the rules administering the gaming statutes. However, the Commission's primary focus is to serve Missouri citizens by honestly and efficiently enforcing the gaming law and the rules and regulations. By so doing, the Commission administers a system that will produce a strong economic benefit in the form of employment, additional tax income and increased economic development. The economic development produced by this activity has not been limited to gaming operations but has involved non-gaming economic development as well.

Another principle function of the Commission is to collect gaming taxes and admission fees. I am pleased to report that in fiscal year 1999 the Commission collected \$161.6 million in state tax on gaming revenues. All of this money will be used to fund public education. In addition, the Commission collected \$40.8 million in state admission fees. The distribution formula for these funds is complex and is explained in detail beginning on page 19. Finally, the home dock cities will have received almost \$60 million to help them fund programs for public safety and improving the infrastructure of their communities.

The charge of the Commission is to give the state a clean industry, free from criminal influence. By enforcing the gaming statutes and rules, the Commission staff is able to fulfill this responsibility. I am pleased to report that the staff continues to vigorously apply these standards and whenever any evidence of crime or wrongdoing has been discovered, it has been exposed and eliminated and any responsible parties have been held accountable.

In addition, the Commission has high standards for the conduct of gaming that we expect the operators to live by. Whenever these standards are breached, stiff penalties are imposed upon all parties. The penalties include fines and suspension or revocation of licenses for the guilty parties.

Problem gambling is an issue that will always be present wherever gaming is conducted. The Commission understands its responsibility to be involved in education, treatment and prevention efforts to minimize the impact of problem gambling. The Commission continues to strive to be an innovative leader on this issue and its work in this area over the past year is explained beginning on page 28 of this report. The Commission will continue to work with the Missouri Department of Mental Health, gaming operators, communities and social organizations to provide a comprehensive program to prevent problem gambling and treat those who suffer from it.

1999 was a year of transition for the Commission and its staff. Robert L. Wolfson, who was the first Chairman of the Commission, completed his term after nearly six years of service to the Commission and the state. It was Bob's responsibility to develop the plan of how to best operate gaming in our state; to develop a plan to organize the staff; to develop the rules and regulations that would administer the gaming statutes; and to determine a selection process for licensees who would best serve the state and the communities in which they operated. We can be proud of what Bob, his original Commission, and the staff have done. Their efforts have resulted in establishing the Missouri Gaming Commission's national reputation for strict regulation and a firm but fair application of the law. All of the original Commissioners have rotated off the Commission and have left the new Commissioners a legacy that we can look up to with honor and dignity and continue to strive to maintain the high

standards they have set for all of us.

An organization is only as good as its staff can make it, and we are very fortunate to have a superb staff dedicated to their jobs and the mission of the Commission. Our Executive Director, Deputy Directors, the legal and support staff and the members of the Highway Patrol assigned to the Commission, allow us to do the kind of a job that is virtually without fault. The determination by all of them can only lead to continued success for all that lies ahead of us as these industries grow in our state.

We are extremely pleased with our record in 1999 and look forward to continually fulfilling our mission as we go forward.

Respectfully Submitted,



Julian Seeherman  
*Chairman*